

1958

6 December 1958

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MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : Personnel Savings in Headquarters

REFERENCE : Memorandum to DDCI from IG, subject as above,
dated 1 December 1958

Memorandum to DDCI from Acting DD/I, subject
as above, dated 4 December 1958

1. In order that no erroneous impression be created by the memorandum from Mr. Sheldon, Acting DD/I, stating that certain figures which I quoted in my original memorandum are misleading, I would like to point out that the figures which I used came from the "Combined Civilian and Military Personnel Status Report as of 31 October 1958", prepared by the Director of Personnel and distributed by him to me on 7 November 1958. The ceiling and on-duty strength quoted for OCR and ORR came from this report. It should also be noted that this report gives PIC a ceiling of and an on-duty strength of one.

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2. Either the figures as stated in the A/DD/I's memorandum had not yet reached the Office of Personnel, or if so had not been translated into the statistics report, even though PIC was officially established on 18 August 1958.



Wymon B. Kirkpatrick
Inspector General

cc: A/DD/I

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4 December 1958

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT: Personnel Savings in Headquarters

REFERENCE: Memo to DDCI from IG, Same Subject, Dated
1 Dec. 1958

1. I have a copy of the referenced memorandum from the Inspector General to you. He has used certain personnel strength figures of DD/I offices which are misleading and I would like to give you a fuller explanation.

2. In para. 7 b (1) the IG states that OCR has a ceiling of [] and on-duty strength of [] as of 31 October 1958. What he has failed to indicate here is that [] positions have been removed from the OCR ceiling for the establishment of the Photo Intelligence Center but the transfer of personnel from the on-duty has not yet taken place. OCR's present on-duty strength is actually [] which overage is entirely in the clerical area, a situation approved by the DD/S as it is now Agency policy to move clericals directly to the various offices rather than hold them in the Personnel Pool.

3. In para. 7 b (4) the IG shows an ORR ceiling of [] with on-duty strength of []. As in OCR [] positions have been removed from the ceiling figure but not yet from the on-duty, these positions also going to PIC. The present on-duty of ORR is [] and again the overage here is in clerical strength.

[]
HUNTINGTON D. SHELDON
Acting Deputy Director (Intelligence)

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24 November 1958

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : Personnel Savings in Headquarters

REFERENCE : Memorandum for DCI from DDCI, same subject,
Undated

1. I am in general agreement with your statement of the problem and with your proposed terms of reference for a Manpower Task Force.

2. The only change I would suggest concerns the provision in paragraph 2 of the recommendations that any function or project found to be questionable should be submitted by the Deputy concerned to the Project Review Committee. I would propose, in lieu of this procedure, that only such function or project, together with functions for its curtailment or change, should be submitted by the originating Deputy to the DCI through the DDCI, but with copies to other Deputy Directors concerned and to the IG. The latter individuals will be free to comment as they may wish. If desired, the submission to the DCI could await the comments of Deputies other than the originating Deputy.

3. My reasons for suggesting this change are:

a. It would enable simpler and quicker action on proposed changes that are of no significant interest to Deputies other than the originating Deputy.

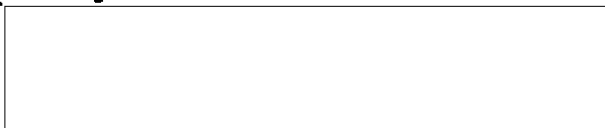
b. Even where two or more Deputies are involved, direct submission is a simpler procedure than that of the PRC. I would entirely agree that where a recommendation raises a policy question of broad interest the PRC might be an appropriate forum for its discussion but specific cases of this sort could be referred to the PRC either by the originating Deputy or by the DDCI.

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4. In accordance with the foregoing I would, of course, suggest appropriate changes in both the terms of reference of the Manpower Task Force and the instruction to the Deputies.



RICHARD M. BISSELL, JR. /
Special Assistant to the Director
for Planning and Development

Attachment

cc: DD/I w/o att
DD/P w/o att
DD/S w/o att
DD/C w/o att
IG w/o att

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MEMORANDUM FOR: The Director

SUBJECT: Personnel Savings in Headquarters

PROBLEM: To develop and adopt a practical approach to effect personnel savings in Headquarters.

ASSUMPTIONS:*

1. That there might exist insufficiently or inefficiently employed individuals.
2. That there might exist unnecessary overlapping and duplication on projects of marginal value but consuming of manpower.
3. That alterations in some projects and functions toward effecting manpower savings might be undertaken without under-fulfilling the Agency's basic responsibilities.

*(Note: It is important that either acting under these assumptions steps be taken to effect savings, or the senior elements of the Agency given the confidence that, after a careful survey, the assumptions have been found invalid.)

DISCUSSION:

1. There are four principal approaches to the problem of effecting manpower savings. They are:

- a. Insufficiently or inefficiently utilized personnel may be weeded out. In addition to such action as to individuals, this includes the elimination or reduction of administrative overlapping or duplication within units and as between other units. (This approach is arbitrarily limited to matters not involving the major organizational structure of the component concerned.) This approach also includes the elimination of sub-standard personnel, which is a continuing responsibility of every supervisor.

- b. Altering in a major way, the methods of carrying out functions charged to or assumed by the Agency or the extent to which those functions are carried out.

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c. Extensive changes in the major organizational structure of Headquarters, or of the major Headquarters components (DD/P, DD/I, DD/S, and Office of the DCI).

d. Elimination of functions.

2. Although it is probable that only modest savings can be effected by Approach 1. a. (Efficient manpower utilization), failure to press this approach vigorously would be indefensible, regardless of action taken under Approaches 1. b., c. or d.

3. The most lucrative potential for manpower savings would be found through 1. d. (Elimination of functions), and the next most lucrative by approach 1. b. (Alteration of methods or extent of carrying out Agency functions.) Approaches 1. b. and d. involve the continuing attention of the most knowledgeable officials of the Agency and the responsible judgment and decisions of the most senior officials. A practical method of facilitating these approaches and identifying questionable functions and projects for concerted Agency-wide attention, would be for each Deputy to require a systematic review of those functions and projects in his area by the planning and operational units concerned, and a report to him. Each Deputy Director should then present those questionable functions and projects to the FRC for immediate and piecemeal consideration and recommendation. (It is recognized that this examination also has a potential for money savings other than in the field of manpower, but this is not being dealt with, as such, in this particular paper.) Manpower savings resulting from this action would be cumulative with those from Approach 1. a.

4. It is possible that manpower savings might accrue from Approach 1. c. (Major organizational changes). Although there does not now seem to be any reason to change the current major structure which sets up the DD/P, DD/I, DD/S, DD/C, and the Office of the DCI, within each of these there may or may not be major changes appropriate. In any event, the Deputies themselves should continue their efforts to improve and streamline the organization of their respective components. Also, the Inspector General should continue his inspections and surveys and make recommendations bearing upon such organizations. The manpower savings resulting from any of these organizational changes would likewise be cumulative with those resulting from Approach 1. a.

RECOMMENDATIONS:

1. That a "Manpower Task Force" be appointed with terms of reference as Tab A, to deal with Approach 1. a.

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2. That, in order to carry out Approaches 1. b. and d., the respective Deputies be directed to require a systematic review and appraisal by the planning and operational elements concerned, of all functions and projects in their areas. Where any function or project is found to be questionable, the Deputy concerned should submit it to the Project Review Committee for immediate, individual consideration and recommendation.

3. That, in order to carry out Approach 1. c., the respective Deputies be directed to evaluate their present organizational structures, and where net savings of personnel and other resources can result, make organizational changes as required.

4. That reductions resulting from these approaches should not be considered as a "Reduction-in-Force." Reductions in personnel ceilings made possible should be effected immediately by the DD/S. Personnel changes indicated as a result of the approaches, should be effected through attrition, selection out, and reassignment.

5. That the Inspector General be informed that there is no change in his instructions to continue his inspections and surveys of the respective components.

6. That Tab A be published as an "Agency Notice" to acquaint Agency personnel of that particular step being taken.

C. F. CAMELL
General, USAF
Deputy Director

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TAB A

MANPOWER TASK FORCE

1. Effective this date, the DCI Manpower Task Force is established. Its members will consist of (insert here the names of a senior officer from the DD/P, the DD/I, and the Chief of the Management Staff, to be nominated by the appropriate Deputy Director). The Chairman of the Task Force shall be _____.

2. The purpose of establishing the Task Force is to provide a temporary mechanism which can make an on-the-site appraisal of the sufficiency and efficiency with which individuals are used in each Headquarters component of the Agency, toward the end of effecting net savings in personnel.

3. The specific functions of the Task Force are as follows:

a. To identify any instances or areas of inefficiency within Headquarters, including administrative overlapping or unnecessary duplication within the unit and as between other units, but not extending to matters involving changes in the major organizational structure or functions of the component concerned.

b. To identify specific individuals who are insufficiently or inefficiently employed.

c. To specify those individuals or positions that are recommended to be considered as surplus in any component.

4. The Task Force is vested with the authority of the Director and the Deputy Director concerned in order to carry out the above functions. Its decision with respect to specific individuals or positions to be eliminated shall, as a general rule, be acted upon by the Deputy Director concerned. Appeals may be made to the DCI through channels.

5. The Task Force shall devote its full time to this review. It shall not redelegate its review responsibility, although it shall be expected to receive advice and assistance from the Management Staff and others as appropriate. It shall focus its attention at every operating level. The Task Force shall provide the Director

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TAB A - page 2

with a progress report at the end of one month and thereafter as specified by the DCI. It should seek advice and counsel of the Deputy Directors and the Director as required.

6. Personnel reductions indicated as a result of Task Force action will be effected generally through attrition, selection out of inferior individuals, and reassignment.

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MEMORANDUM FOR: Deputy Director (Intelligence)
Deputy Director (Plans)
Deputy Director (Support)
Deputy Director (Coordination)
Special Assistant for Planning and Development

SUBJECT: Personnel Savings in Headquarters

1. As part of a continuing effort to reduce manpower and budget requirements at Headquarters, the Deputy Directors shall require their responsible planning and operational elements to make an immediate and systematic review and appraisal of all functions and projects in their respective areas. In those instances where functions or projects are found to be questionable for any reasons, including considerations of manpower and other cost factors, each Deputy shall submit them to the Project Review Committee. The Project Review Committee shall then give immediate and piecemeal review and recommendations as to appropriate alterations.

2. Each Deputy Director is also instructed to evaluate the present organizational structures under his authority and, where net savings of personnel or other resources will result, make such organizational changes as are appropriate. This evaluation will not in any way alter the Inspector General's responsibility for making regular inspections and surveys of all organizational components.

ALLEN W. DULLES
Director

cc: Inspector General

1100 54 5 33 6H

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM.

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CONFIDENTIAL

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CENTRAL INTELLIGENCE AGENCY
OFFICIAL ROUTING SLIP

| TO | NAME AND ADDRESS | INITIALS | DATE |
|----|----------------------------|----------|------|
| 1 | DD/L, DD/P, DD/S, DD/C, IC | | 7/17 |
| 2 | O/DDCI | | 7/18 |
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| 5 | STAT | | |
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| <input type="checkbox"/> | CONCURRENCE | <input type="checkbox"/> | INFORMATION | <input type="checkbox"/> | SIGNATURE |

Remarks:

The attached has been seen by the Director and is submitted to you by the DCI for your review and comments.

STAT STAT

DISPATCH: 16 July 1957

TO: DD/C

While this is not directly applicable to your staff, it is being submitted for your information and such comment as you may wish to make.

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO.

DATE

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9.54/6

MEMORANDUM FOR: The Director

SUBJECT: Personnel Savings in Headquarters

PROBLEM: To develop and adopt a practical approach to effect personnel savings in Headquarters.

ASSUMPTIONS:

1. That there might exist unnecessary overlapping and duplication on projects of marginal value but consuming of manpower.

2. That alterations in some projects and functions toward effecting manpower savings might be undertaken without under-fulfilling the Agency's basic responsibilities.

*(Note: It is important that either these assumptions be validated and action taken to effect savings or the senior elements of the Agency given the confidence that, after a careful survey, the assumptions have been found invalid.)

FACTS DERIVED ON THE PROBLEM:

1. A reduction of personnel in Headquarters is required if it can safely be brought about.

2. Increase in personnel in the Field will be allowed based upon merits of any proposed expansion.

3. There is at the present time no system of "selection out" in the Agency except for individual cases.

DISCUSSION:

1. There are three principal approaches to the problem of effecting manpower savings. They are:

a. Weeding-out such personnel as may be inefficiently utilized. In addition to inefficiently utilized individuals, this includes the elimination or reduction of administrative overlapping or duplication within units and as between other

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units. (This approach is arbitrarily limited to matters not involving the major organizational structure of the component concerned.) This approach also includes the elimination of sub-standard personnel, which is a continuing responsibility of every supervisor.

b. Altering methods of carrying out functions charged to or assumed by the Agency or extent to which those functions are carried out.

c. Extensive changes in the major organizational structure of Headquarters, or of the major Headquarters components (IN/P, IN/I, IN/S, and Office of the DCI.)

2. Although it is probable that only modest savings can be effected by Approach 1. a. (Efficient manpower utilization), failure to press this approach vigorously would be indefensible, regardless of action taken under Approaches 1. b. and 1. c.

3. It is probable that the most lucrative potential for manpower savings would be found through Approach 1. b. (Alteration of methods or extent of carrying out Agency functions.) This approach involves the continuing attention of the most knowledgeable officials of the Agency and the responsible judgment and decisions of the most senior officials. A practical method of facilitating this approach and identifying questionable functions and projects for concerted Agency-wide attention, would be for each Deputy to require a systematic review of those functions and projects in his area by the planning and operational units concerned, and a report to him. 1. Each Deputy Director should then present those questionable functions and projects to the PDC for immediate and piecemeal consideration and recommendation. (It is recognized that this examination also has a potential for savings other than in the field of manpower, but these are not being dealt with, as such, in this particular paper.) Manpower savings resulting from this action would be cumulative with those from Approach 1. a.

4. It is possible that manpower savings might accrue from Approach 1. c. (Major organizational changes). However, there does not now seem to be any reason to change the current major structure which sets up the IN/P, IN/I, IN/S, IN/C, and the Office of the DCI. Within each of these there may or may not be major changes appropriate, but in any event, the Deputies themselves should continue their efforts to improve and streamline the

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organization of their respective components. Also, the Inspector General should continue his inspections and surveys and make recommendations bearing upon such organizations. The manpower savings resulting from any of these organizational changes would likewise be cumulative with those resulting from Approach 1. a.

5. Results from these approaches should not be considered as a "reduction-in-force." Reductions in personnel ceilings made possible should be effected immediately by the ID/S. Personnel changes indicated as a result of the approaches, should be effected through attrition and reassignment; and through a system of "selection out" which should be developed.

RECOMMENDATIONS:

1. That a "Manpower Task Force" be appointed with terms of reference as Tab A, to deal with Approach 1. a.
2. That, in order to carry out Approach 1. b., the respective Deputies be directed to require a systematic review and appraisal by the planning and operational elements concerned, of all functions and projects in their areas. Where any function or project is found to be questionable, the Deputy concerned should submit it to the Project Review Committee for immediate, individual consideration and recommendation.
3. That, in order to carry out Approach 1. c., the respective Deputies be directed to evaluate their present organizational structures, and where net savings of personnel and other resources can result, make organizational changes as required.
4. That the Inspector General be informed that there is no change in his instructions to continue his inspections and surveys of the respective components.
5. That the Director of Personnel be directed to prepare a study proposing a system for "selection out" of limited numbers of personnel on a planned basis.
6. That Tab A be published as an "Agency Notice" to acquaint Agency personnel of that particular step being taken.

C. P. CASELL
Lieutenant General, USAF
Deputy Director

Attachments
As stated

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